

PRESS RELEASE

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European Logistics Investment's H1 2023 standing and under construction portfolio exceeds 1 million sqm target

European Logistics Investment (ELI), a high-growth logistics platform in Poland, owned by Redefine Properties, Madison International Realty, and Griffin Capital Partners concluded the first half of 2023 with 1m sqm of standing and under construction projects. The first six months of the year also marked the successful delivery of two projects totalling 70,450 sqm of gross leasing area (GLA) and the commencement of construction of another two logistics assets with a total GLA of 35,000 sqm.

ELI continues its investment projects, actively capitalizing on the strong growth momentum of the Polish logistics market. At the end of H1 2023, ELI's portfolio, including the landbank, amounts to 1.3m sqm and spans 30 projects across 10 logistics hubs throughout Poland.

ELI's development activity in H1 2023

Throughout the first half of 2023, the company has successfully delivered high-quality, innovative logistics space across two projects with a total GLA of 70,450 sqm. The new projects are located within established markets of Warsaw Suburbs and Kraków – where ELI continues to strengthen its strategic footprint.

The newly delivered projects are already 61% of pre-let at delivery date and the stabilization process for each of them is further progressing. The tenancy profile covers production and logistics industries. The newly delivered assets will feature top technical specifications and will seek to obtain a minimum rating of "Very Good" in the BREEAM certification system.



Over the course of H1 2023, ELI has also initiated the construction of two new, fully let projects of almost 35,000 sqm GLA. Both projects are located in the Kraków market which is of strategic importance to ELI. The platform holds a significant market share in the area, as evidenced by both projects being fully occupied at the start of the construction.

"ELI continues to invest in the strategic markets of Kraków and Warsaw, which are among the best performing submarkets in Poland. Kraków serves as a prime example of a market experiencing significant rental growth, primarily driven by the supply-demand imbalance. As land availability remains scarce within the area, ELI has successfully secured attractively located development projects that quickly transitioned into the construction phase, thanks to attractive lease agreements. So far, the platform has delivered or acquired six projects in the area totalling 172,000 sqm GLA, which represents 23% of existing stock in the Kraków submarket. We are still looking for interesting new opportunities both in Kraków and Warsaw markets," says Pieter Prinsloo, Chief Executive Officer at European Logistics Investment.

Diana Shieh, Madison International Realty's Co-Head of Portfolio and Asset Management, says: *"With greater than 1 million sqm in its current standing and under construction portfolio, we believe ELI's activity in the first half of 2023 clearly demonstrates it is well positioned to take advantage of Poland's robust logistics market. Madison continues to be impressed by the steady progress of ELI's investment projects and its status as one of Europe's premier logistics platforms."*

Leasing activity over last 12 months to end of Q2-2023

Over the last 12 months leading up to June 2023, ELI has experienced strong leasing momentum, with total leasing activity reaching 184,700 sqm GLA, accounting for almost 20% of ELI's existing & under construction space. The company signed 22 lease agreements, with the majority of leased space located in Warsaw suburbs (five deals, 71,000 sqm); and Kraków (six transactions, 53,000 sqm). The vast majority of space leased constituted new lettings - 140,000 sqm, followed by lease renewals for 34,000 sqm and re-letting's for only 11,000 sqm which confirms the stability of ELI's tenant portfolio.



"ELI's strong leasing activity is linked to a dynamic expansion of our portfolio. When we started the ELI venture back in 2018 we set a goal of reaching 1m sqm within five years, and we can now proudly announce the successful achievement of this strategic milestone. This represent more than a threefold expansion from our seed portfolio of 312,000 sqm and it has been achieved despite pro-active disposal of non-core assets of 358,000 sqm along the way. We continue to experience strong tenant demand in our portfolio. Over last 12 months, we were able to capture strong rental growth and convert it into underlying income that will support our operational performance and liquidity needs in the future," says Nebil Senman, Co-owner and Managing Partner at Griffin Capital Partners.

The largest leasing deals included signings in Radzymin for almost 53,000 sqm, followed by leases signed in Kraków North (26,000 sqm) and in Warsaw West Błonie (10,000 sqm) – all of which were pre-lettings for new development projects.

ELI (European Logistics Investment) is a logistics platform that is developing dynamically on the Polish market. ELI delivers high-quality facilities located in the most sought-after locations throughout the country, offering superb accessibility and high-quality warehouse space for businesses, thanks to its partnership with Panattoni, a leading developer of industrial real estate. The ELI portfolio currently includes 30 logistics projects within 10 logistics hubs throughout Poland of a total GLA of 1.3 million sqm, including over 914,000 sqm of standing assets, 85,000 sqm of space under construction and a secured pipeline of 246,000 sqm. The company is owned by Redefine Properties, Madison International Realty, and Griffin Capital Partners.

For additional information please contact:

Ewa Gawron-Jasińska
Marketing & PR Manager
Email: egawron-jasinska@europeanlogisticsinvestment.com
Phone: +48 646 244 235

